

**A. 43**

Orderly  
liquidation

Need to file Holdco

→ DIP financing & Holdings

↓ Operate to op Co. → Paolo

Expenses to fund

→

RE 42 net.  
13/55

71

Miller Fin<sup>n</sup>

~~25~~ 35

0 →

Comer / Day

~~8~~ 90

7

Comer

10 88 11

→

8

Need \$5b. to cover  
expenses.

→ \$80

15 PB Europe

100

60 - Training / Agents

Cost for Insurance

→ \$5b over-collect back from IPM.

① Fed

② Loan money LBI to Holdings

Fed will give DIP for @ Holdings

→ 61th hole 6

→ liquidity for round.

→ Repo NIC collateral.

100 Fed

So Repo secured

20 other funded

60 Treas + Hg.  
20 other securities

10 to PDCE

910 exposures next 6 mos.

→ PDCE alg collateral.

need to get LBI to Holdings

1 event to determine

BRE

JPM needs to release

Info LBI

And then loan to  
Holdings



→ #3.5

→ ~~sell BID~~

→ merge MBF into  
another sub.

① If deriv books

② File

③ Sell B7D subject to SH vote

→ *lesion* Proceeds \$ 3 b - BV ?

→ *contingency* \$ 3 b. + additional value ?

Feed

Access to pledge LBI Letter to PDET.

/  
In addition to Tim Pinsky.



Graduated off LBI

- No more of money
- May save for v Fed to facilitate orderly business = wind down.
- Cash receipts
- Contracts/Services
- People to do.

✓ Payments not made from LBIH  
FRE 11.2 b.

✓  
Contracts - Buildings/Leases  
- ~~Services~~ Technology services  
- Professional Services  
- Planning Services

✓

Quadrant off LBI

→ No more of money

May same for v Fed to facilitate

orderly business = wind down.

→ Cash reports

→ Contracts/ services

→ People to do.

✓ Payments not made from LBI

ERE 11.2 b.

✓  
Contracts

- Buildings/Leases

- ~~Software~~ Technology vendors

- Professional Services

- Pricing Services

②

→ Fed Fumble

→ This team Korea

→ Fed sent message

BAC, Barclays

liquidity crisis - no choice but the

Filed LBNH ahead of LBIF

Downgrade  
to down  
trigger

LBIF open for sale - Hang in

Fed silly message - protect LBIF - orderly unwind

- long tail

- short quick red?

HoldCo run by mgmt

→ Bank seizures - Bank Hawks, LBB, LBCH

\* → Costs to run Firm

\* → 15c lock up - about to jump  
Run

\$2.3b

\* Key people in London + Asia

→ How get cash in to  
pay people.

\* → what they

Revelays

- Asset Listings
- Entity - LBI
  - Eagle?
- Capital & Reg
- Systems/Technology
- mapped to business
- Ops and Technology
- Take Energy as well?
- May not take anything out of LBI.F
- May take contracts of
- Lieberberg
- L3 assets in B1D.
- Today's risk @ LBI
- Today's close open positions
- \$800 in Restricted Securities
- \$
- \$800 trading @ 20

T. → People

→ QSPE ~~\$400m residuals~~ Pfr

Tony → MTD P+2 LB1

Georgy/John → Asset listing Position CoB Today

Tony/James  
Walker → Entails pay/rec.

Susan  
Grbic → Tax + A/c

Budget → Delta costs,  
O/C. } Operationalize BTD  
Risk → success → }

Tony → Money to date P+2 Sound

→ Guarantee for Barclays - big facility  
we stand behind the oblig of LB1

Shotton → ~~the~~ Risk

(Ryan)  
12/2/09 → LB assets in BTD

→ e May

→ Entitled \$10-15

(Trey) → People → inside BTD  
outside BTD

Pearl/  
Wang → Equity O/C outside LBFA

wrongly → have

PE

Prod <sup>n</sup> Comp		336	] 66%
Salaries	21.0	2000	
Other	6.6	1222	34%
		<u>3558</u>	

Bonus	1400
Annu <sup>l</sup>	1200
	<u>6158</u>

VS Heads	14433	56%
Total	25935	

Travel Heads	
FID + Eq + IB-D	3943
Comp. 100%	<u>5945</u>
	9888

LB <sub>1</sub>	6935	incl md ex = 5800
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LB <sub>1</sub> Base Comp	700	P-a.
@ 1x 66%	1060	

+ Allocation from Hold Co.

→ BV Assets → FAS Get List

→ All Contracts.  
↳

→ Employee related accruals

Balance \$

→ 32 salary / mo.

list of legal entities

Mark / Beth

list of assets - all but ---

Purchase agreement

→ Title of RE + mortgages

→ Branches - all + Canada.

Mark

DIP Financing - Holdings

HR

Colleen / Bart

Benefits

Non-DIP Financing - LBI

Communications

Regt - 15 days. Hold Co.  
bun rate -

→ Kelly

→ B/S

Mark

→ Contact regulators.

→ imp employees.



Holdings

Source + Uses CF Budget

EXCLUDED ASSETS: Include but not limited to,

- Commercial real estate investments
- Private equity investments and hedge fund investments (e.g., investments in GP or LP) or capital stock (but includes Townsend Analytics)
- 50% of each position in residential real estate mortgage securities
- LCPI (Lehman Brothers Commercial Paper Inc.)
- Cash, cash equivalent, bank deposits or the like
- Intercompany accounts
- Tax claims, rights or interests
- Other assets (intellectual property rights, contracts, payables under contracts, artwork, insurance policies)

PURCHASED ASSETS:

- Government securities, commercial paper, corporate debt, corporate equity, exchange traded derivatives and collateralized short-term agreements (book value estimated at \$70 billion)
- 50% of each position in residential real estate mortgage securities
- Furniture and equipment
- Intellectual property rights
- Purchased contracts
- Retain cash
- Deposits and prepaid charges/expenses except if related to excluded assets
- Real property leases
- Documents necessary to carry on business (e.g., marketing materials)
- Permits
- Supplies
- Rights to Lehman indices/analytics
- Trading tools
- Townsend analytics
- Eagle Energy
- Exchange licenses
- Goodwill and other intangible assets

ASSUMED LIABILITIES

0

Assets	\$72bn
Liab.	<\$68bn>
	<hr/>
	4bn

**A. 44**

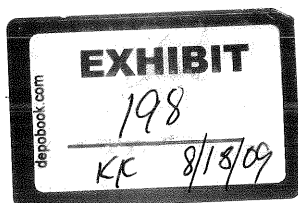
Long	85	58
Revenue	10 / 75	10 / (68)
Share	41	41
Repos	30	30
		51
		10
+ Comp	1	1
+ other	1 / 78	1 / (78) 68

+ Payables 1.0

Rest mark - 0.75

Comp 2.0

by



GOE

ASSETS

65 ~~58~~

LIABILITIES 56 start  
Arms 1 Corp. Account  
Tech. Exp. 1-25  
18 1/2

Sub Note

NO CONSIDERATION

STAGS

7

7

(-4)

70-35  
- 3.65 = 70-35

61.9

62.25 + 2.00 + 2.50 + 0.25

- 3.65

Building

Appraisal fee  
1.0 less brokerage

RI

Proceeds

less fee

13.9 Inventory 15

58.75

(1.25)

Remain Reps 10

10

0

68.75

Shirts 56

56

0

Reps 10

10

0

Camp payable 1.0

2.0

1

Payables 2.25

2.25

-

70.25

5.25

DR Cash

DR Camp pay 1

DR Payables 2.25

DR Shirts 56

CR Longs 65

DR less on sale 5.75

~~10~~ RV

Sales

fine cost

10

8

(2)  
(2)

804

8

6

754

\$3.65 →

What looked up  
How much do  
revenue  
Rep to Cali?

Grand

Andy

646 221 2447

Shirley

Gary Ranan

Fan

15c3 look up Cali

→ 425b fail on both sides of fence

748b breaks

Until resolved, cannot take anything out of formula

Do not have comfort that did not use interest assets

Demands - PR at unknown collateral to generate funding

- Day 3/4/09

→ If Pasha repaid more & at that in revenue formula,

SEA

Carl

7000

42 b pledged to P

Inventory

44,846

0.8 pledged B

Dec 15c3

1000

Wells

For regular

52846

to change

1.1 Open

7000

→ Cedar

4200 of assets pledged at

Assets

15c3

State go?

Subs ?

Comp / hire

Review final list  
of assets

Project has

7th Dec → 542

435 Canada → 82

RBC

last pos

200

6th Dec

200  
short



Diane

Ken Vecchione

CFO Apollo

↳ E. Cotti was Diane

Reports to Leon Blau

BALANCE SHEET OPEN ITEMS

Item

Status/timing

Listing of all inventory cross referenced to the box:

Govt/agency  
CP and MM instruments  
Mortgages and ABS  
Corporate debt  
Corporate equities

Purchased assets def

① Inventory and owned

② Owned by LBT and  
reversed in and

Identification of encumbered collateral

→ Stephen

Break out of derivatives - longs and shorts

Reverse repo book - list of counterparties and collateral

In foot facility

On LBT as inventory + encumbered.

Futures margin component of receivables

Listing of all shorts:

Govt/agency  
Mortgages and ABS  
Corporate debt  
Corporate equities

P&L results since Monday indicating paired longs/  
shorts versus outright trades

Gerry | Alex Kirk | James Walker.

Client Ac's, clearing House balances  
do savings SEC

Rich Rindoff

Legal clearing on trade actually  
doing

Jonathan

→ All collateral through facilities  
to ensure that is the trade.

→ Contingency in market

SEC / JPM - Give assurance

① Identify what is relevant Ac's

SEC insisting that customer balances be looked after

by LBT set up Nails - Barclays get stock of Nails

100%, if do BCap and then go back what BCap do not want.

**A. 45**

